

KASSON  
STATE  
BANK

2005 SEP 12 AM 10:29

203 WEST MAIN • P. O. BOX 187 • KASSON, MINNESOTA 55944  
TELEPHONE: 507/634-7022

Sept. 9, 2005

FDIC - San Francisco Regional Office  
Regional Director John F. Carter  
25 Jessie Street at Ecker Square, Suite 2300  
San Francisco, CA 94105

Re: Wal-Mart's FDIC Insurance Application

Dear Mr. Carter:

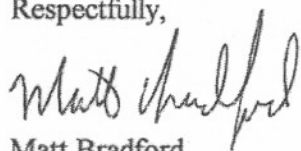
Granting Wal-Mart's application for FDIC insurance will only "insure" their continued monopoly of consumer retail service. As a small town community bank in southeastern Minnesota we have seen Wal-Mart's effect on area groceries, hardware stores, florists, and pharmacies. The increased competition from the mega stores continues to decrease community main street merchants. Small town community banks need a commercial district to service in order to prosper and grow.

Community banks across the country have provided a valuable service to its customers over the years. Our bank continues to be one of the major contributors to our town in the way of charitable donations each year. Will Wal-Mart support our school's Dollars for Scholars program, our city's park & recreation department, our area Chamber of Commerce, our library building committee, our annual Care & Share auction, and our food shelf? Will they become involved in our community and serve on the city council, school board, ADA task force, fire department, Festival In The Park, and our economic development committee? Will Wal-Mart make personal farm visits, extend credit to a family in need with a questionable credit score, assist the elderly with personal finance management, and educate our youth. These are the things small town community banks are doing on a daily basis that have a huge impact on the customers that they serve.

Small town community banks are being faced with the challenges presented by added regulatory and technology expense as well as increased competition. The addition of Wal-Mart into the banking world will only add to those challenges. Bigger is not always better, our motto at Kasson State Bank has been "Large Enough To Serve You, Yet Small Enough To Know You. Our niche

is familiarity, loyalty, trust, and the ease of doing business with someone you know. That formula has been a success at Kasson State Bank for 70 years. I urge you to consider what community banks have meant to their towns with regards to granting Wal-Mart FDIC insurance.

Respectfully,

A handwritten signature in cursive script, appearing to read "Matt Bradford".

Matt Bradford  
Kasson State Bank